App F IX—4

Previous References

1952 53
(Com)

File No 99 52
Serial Nos 1, 2

Later References

MYSORE GOVERNMENT SECRETARIAT

Serial Nos 2

Part B for April 52

SUBJECT

Levy of octroi duty on goods ~~consigned~~ Consigned to the Government of Mysore Electrical Department

Elect 043-51-1

C M Dept No 1/52

Office of the Chief Electrical Engineer to the Government of Mysore
Telephone No Off 24.6 Resdnce 3162

Bangalore-1 15th Septr. 1951

D O No 1022
Encl 1 copy letter

Dear Sir, L Rs- C-M-71-52-4

Levy of octroi duty on goods consigned to the Govt of Mysore Electrical Department

I write to report that the Corporation of Bangalore have been deriding from 28-8-1951 payment of octroi duty on goods consigned to the Electrical Department This new levy is being enforced after the formation of the Corporation of Bangalore, as the Corporation Commissioner states "the Government goods which were enjoying exemption under the old Municipalities Act are not entitled to any exemption under the present Corporation Act in regard to payment of Octroi on goods belonging to them" In this connection, para 509 of M E A C Vol II (Revd) is reproduced below for your kind perusal

> "No octroi duty is leviable under the provisions of the Mysore Municipal Regulation on articles imported into Mysore by the Elecl Department (G O No L 6726-9-M1 154-23-2 dated 20th April 1926) "

The Commissioner, Corporation of Bangalore, who was addressed that under the rules prevailing in the Electrical Department, no octroi duty is leviable on goods consigned to this Department, has replied in his D O No A3/G1 1951-52 of 13-9-1951 (copy enclosed for kind perusal) that there are no bye-laws framed on that subject, since in the Corporation Act itself there is no provision for exempting Government goods from payment of octroi If there has been no bye-law for grant of exemption from the levy of octroi duty in the Corporation Act, it is up to the Corporation to have a bye-law framed on that subject and allow the Electrical Department goods without the levy of octroi duty as this has been a privilege of the Department from the very beginning and omission to its reference in the Corporation Act is only a Technical Objection and does not justify the withdrawal of the privilege merely on that account Further the Department will not be in a position to undertake any installation of new Street Lights unless the Corporation exempts the Department from octroi duty, as it is one of the necessary conditions of Street Light Agreement, vide para 12(a) of Street Light Agreement extracted below

-2- 7293

"The Municipality/Village Panchayet shall exempt the Electrical Department from payment of Octroi Duty on the materials belonging to them "

I, therefore, request you kindly to move the Corporation of Bangalore regarding action to be taken for exempting the goods consigned to the Electrical Department from the levy of octroi duty The Commissioner may also be kindly instructed not to insist on payment of octroi duty, but to allow the goods to pass out without levy of such duty until the necessary bye-laws are framed

As the Commissioner has allowed us only 15 days' time from 13-9-1951 to secure appropriate sanction for the exemption and after this period the octroi duty will have to be paid if the Corporation is not suitably advised, I request the favour of very early orders on this question

Yours sincerely

C. Chandy 13/9

Sri K T Bhashyam Iyengar, B A , B L
Hon'ble Minister for Law & Labour
in Mysore, Bangalore

1) This is a question that will have to be dealt with in the Municipal Branch & approach it will be referred to that Branch
B 25/9

2) As the matter is of an urgent nature very early action may kindly be taken not to insist upon the octroi duty pending decision of Govt and the question decided in consultation with the Electrical Secretariat

25/9/51 (Secy. Elec.) 26/9/51

The Commissioner will be informed accordingly

Min. for Law & Labour 27/9

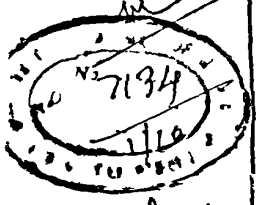
One of the Secretaries to Govt of Mysore
No 4418
Date 28 9 51

27/9

27/9

Serial No

2213 c/d



gcb 3/10

1) for to one gunshuchan, Secy Legs) Dpp

2) Due instns cannot be communicated from the LSG Secrt as the Secrt was not personally consulted and I have not come concerned with the news of the CEE Due file has not also been seen by the Hon Min LSG I would like to add that the Corporation Act does not contain any provision for grant of such exemptions & Govt also have no power to issue such instns to the Corporation Moreover in another ple it has been held that the Corporation is entitled to levy property tax on Govt Bldgs up to the date the Act was amended excepting Govt Bldgs from tax Hence the exemption claimed by the Electrical Dept cannot be granted

PW Secy)

JCS 3/10

3/10 8) The file will now be submitted to the Hon'ble

NOTE—Contn. Sheet

Levy of octroi on wood carriages for the Govt Elec Dept

Elec File No 243 of 1951 | General and Revenue Secretariat

Serial No 2210

Minister for L-S G for orders
Elec Secy
4/10/51
Min for L-S G 5/10

10) If the Corporation is levying octroi on similar electrical goods brought into the Corporation limits by other private people, I think they are right in demanding octroi from this Dpt also. After all this Dpt also is a business concern. This Dpt may pay the octroi & recover the same from those people who take the services of this Dpt. I do not see any thing wrong in this demand. When the Corporation demands the services of the Electric department, they can as well charge the same to the Corporation I think, all the big machineries brought for the purpose of installing in any Electric Station are ~~liable~~ not liable to octroi duty. I would like to know whether even these goods come under the levy of octroi

L S G Secy

Dr 16/10/51
9/10

Office of the Minister for Local Self Government
To 3562
5/11/51.

Sec Government

Rec'd 29/10 Elec Sec

LOCAL & MUNICIPAL DEPARTMENT 4792 24 OCT 1951 GENERAL

Levy of octroi on goods consigned for the Elec Dept

File No 4792/2nd of 1951 & V5967/2nd — General and Revenue Secretariat

Serial No

16) Draft Letter of the Collector, Bellary Corpn to put up for approval,

Accts 13/12/51

Secy 13/12

15) Issued 17/12

To

The commissioner
Corporation of the city of Bellary
(thro the Mayor)
L 10324/ dated 26 12 51

Sir,

The Collector, Bellary Corpn
No A3-GL 9305/51 52 of 11 12 51,
Garnishes the information called for

16) The Collector reports that no octroi is levied on machine parts except conduct pipes

17) A draft Letter to the Collector to furnish confirmation on the ~~Collector~~ points raised in this office Letter dated 26 12 51 is put up for approval

Accts 29/12/51

Secy 29/12/51

18) Issued 29/12

To

The commissioner
Corporation of the city of
Bangalore
(thro the Mayor)
11061/dated 4/1/52
Call for certain information

Levy of octroi on goods consigned for
the Electrical Dept

—

Facts

The Coimbatore Corporation passed a By-law
No GL 1221 dated 16 1 52
Sanctioning the levy of octroi called for

(1) The levy of the octroi is for personal
The provisions exempting certain articles
which includes Government property is
stated to have been made by virtue of
the Tax Laws passed under the City
Municipalities Act before the Corporation
Came into existence and which were
later made applicable to the Corporation under
the Transitional provisions order of 1949
But these Tax laws would have validity
only so far as they are not inconsistent
with the Corporation Act, and the
Corporation Act recognises no exemption,
it is stated that the exemptions
granted in the taxation proposals
~~framed~~ sent, that the notice so far
as it relates to octroi position is
illegal It therefore follows that the
action duly collected by By-law after
before sent the taxation proposals
the ~~Amendment~~ of the Corporation is
without legal validity and is open to
the questioned. This position also
Contained could fresh notice is published
by the Corporation for the levy of octroi
duly and the Bonus is finalised by
the Corporation Unless the collections so

Levy of octroi on goods consigned for the electrical dept. 5964 V66(8)/ms

for made next to be made are given a legal validity, unnecessary complications may possibly set in at a future date especially when the octroi duty notice, already published for a second time which, in addition gives mercantile concessions. ~~and set there misunderstanding about it in many days~~ Where there illegality has come to notice it may also not be desirable to levy the duty until the defect is removed But there is an important source of Revenue which the Corporation cannot afford to lose without seriously affecting the ~~finances~~ its own adverse effect on its finances The Law Secretary may therefore be consulted to suggest a way out of this deadlock

20) As regards the ~~proposal~~ octroi duty due from the Electrical Dept, the question may not rest arise at all as the levy itself is at present illegal

Ans 23/1/52

Sec 24/1/52

21) The Commissioner admits that there is no provision in the Act for the exemption of the goods imported by the Electrical Dept and that there was not noticed when the notification dated 26th Sept 1950 was issued from a perusal of a list showing the names of articles on which the Corporation may levy octroi, it is seen that class VII and C Metals and class VIII articles are liable to octroi duty But

Levy of octroi on goods consigned
to municipality, Electricity Supply

In a similar case with regard to octroi duty
under the Bombay Municipal Act, 1888
which levied octroi duty on goods imported into
the limits of the municipality, it was held that
the words "machinery imported into the limits"
are not liable to octroi duty. How does this
case differ from that and to what extent it differs,
to what extent the other falls away
be considered and were considered

8/2/52

2) Previous references to such exemptions
were also referred to as to whether or not
machinery and parts of
machinery connected to be held to be
goods by reason they are made of
iron, steel etc are not so

3) The Calcutta Electric Supply Corporation Act and
the Indian Electricity Act are referred to
to the extent they are relevant and
what powers to be exercised by Municipalities should
have to make to the taxation on the
use of energy or rules on machinery
and parts of machinery is referred
where the taxation are not the ele

66/8/ml

Levy of duties on goods consigned to the Nyasaland Govt Electrical Dept

order to levy duties on machinery imported by the electrical Dept On an enquiry from this office as ordered at para 10 above, the Comptroller has replied in his letter dated 11-12-61 that no duties is levied on machinery parts except Condensit pipes

24) The next point is the liability of the Electrical Dept to pay the duty on other dutiable goods There is no provision under the Corporation Act to grant any exemptions at all The Duties Imp Laws Amend Order 1961 recognises such exemptions & Govt goods from duties These Imp Laws were continued under the Transitional provisions Order of 1949 Based on these Imp laws, the Corporation asserted a claim for exemptions from duties of Govt goods in the taxation proposals But under Sec 4 36 of the Act the Imp Laws would have validity only so far as they are consistent with the Act and as there is no provision for exemption in the Act the duties Imp laws are inconsistent & void- Hence the Comptr therefore accepts that the taxation notice so far as it relates to duties has the effect of the exemption becomes void & the notice should thus be withdrawn There can be no claims at all against the Electrical Dept for prepayment of duties on goods imported by that Department

25) If the notice for the levy of duties should be held to be illegal, it follows

66/5/xxl

Levy of octroi on goods consigned to Departmental Electrical Dept.

What octroi collected so far or without authority which the Govt may decide to refund on representation

28) The Law Secretary may perhaps be consulted - Ref paras 10, 13 and 21 ante

5/12/87

29) In view the opinion expressed by the Law Secy that parts of machinery are not liable to octroi, the legality or otherwise of collecting octroi even from private persons has to be considered. However, the Electrical Department need not pay octroi in view of the opinion expressed by the Law Secy, on machinery goods imported by the Electrical Dept

(Secy
L&SG)

11/12

(1186)
12/12

28) I believe I have caused an endtr file the question whether power to grant exemptions is not inherent in the power to levy taxes, and whether Statutory provision is necessary to enable the Corporation to grant exemptions. Please put up that file

12/12

66 (8) ml

Levy of duties on goods consumed in the Electrical Department

29) The file has been referred back to the Law Secretariat with further queries for their particulars required by them vide D.O. No. S'S'S 2/ml dated 12.2.82. The letter is enclosed with the file available

ml 12/2/82
SMM 13/2

Secy L.S.G.) 14/2/82

N 12078 Date 15/2

Yes
16/2

5552/pk

Corp. of Calcutta and Sales tax on electrical goods purchased by the Electrical Depty. Ref to No T8/51 dt 9 Referred by the Electrical Secy.

The suggestions of the Electrical Valuation and power consumption of the various plant and other materials required for generation, transmission and distribution of electricity from which expenses in order to keep down the cost under the Rural electrification Scheme

2) Three schemes in this State are executed by the Electrical Department and plants and materials indented for by the Department are not subject to the levy of octroi in the city and Town Municipalities. The Bihar Corporation Act does not contemplate exemption being provided in respect of any article on which the Corporation may levy octroi. Electrical goods are also subject to the octroi notice of the Corporation proposals of the corporation received vide No D 1144-M/50 dated 26 9 50 effective from 1-10-50. Requests for exemption from octroi in the cost of the properly constituted Electrical Engineering Co. Ltd as before of such exemption has been allowed previously since no octroi was levied on the excluded B class articles on goods imported by the Electrical Dept the exemptions shall be deemed to continue under the changed set up also

Notice of Corpn Resolutions put up for Reference 30/11/51

Govt grant

5552/ld

Levy of octroi and Sales tax on electrical goods purchased by the Electrical Dept. U/o Reference cited vide No 78/S1 from the Electrical Secretariat

3). Certain goods imported by the electrical Department are on the list of octroi taxable articles. The Act does not contemplate any exemption. Hence there is a power for consideration whether even the Corporation would be entitled in legal position to exclude in the notice articles imported by any particular agency whereas the same articles other importers are liable to pay octroi. If it is held that such an exemption envisaged, the notice ~~contemplated~~ illegal would not then vitiate the entire taxation proposals now formulated by the corporation. It may perhaps be desirable to consult the Law Secretary on these points before an opinion is offered on this file.

4) Seek further orders.

Secy (SSP) 6/11/57

Secy 1958 7/12

Chief 7/12/57

SWO 1/12/57

5) Originating with a report from CEIC,

6) There is another file in the Electrical Secretariat regarding exempting goods imported by the Electrical Dept from octroi. Pl get it

7/12

Assistant Secretary PWD & Electricity to please make available the record referred to above

levy of octroi and Sales tax on electrical goods purchase by the Electrical Dept - U/o reference A/c no 78/S1 of the Electrical Secretariat

6) The AG refers to at para 5 above & perhaps (= 7 Secy LSG) 9/12

8/12/81

8/8/1957

7) It is not very clear if octroi is not being levied on electrical goods imported to Bangalore by the Electrical Dept The limited file indicates that the Corporation has requested the CEE to pay octroi on goods imported by his Dept The reply from the Commr may be awaited

As regards the question whether the Corporation can exempt goods belonging to Govt from octroi, in the absence of specific provision in the Act, I am of the view that the power to levy taxes includes power to grant exemption also even though there no specific mention is made of exemp in the Statute The exemptions indicated in Sec 101 are more in

3834 C

nature of Statutory restrictions on the powers of taxation would arise merely because no specific provision for exemption is found in the sections relating to duties it cannot be held that no exemption can be given in respect of duties duty All that the statute lays down is that there is no statutory bar to levy duties even on goods imported by Govt Depts & Govt cannot insist on such exemption if the Corporation is not willing to grant it It does not follow that the Corporation cannot grant exemption even if it wants to

In this view the exemptions envisaged in the ~~notes~~ notes dated 26/5/50 appear to be valid

For favour of remarks

Law Secy)

12/12

9/6/51

The power of the Corporation to levy octroi on goods brought within the octroi limits, is granted to the Corporation under Sec 97 and 130 of the Bangalore Corporation Act, 1949, read with Part V Schedule III, thereunder Then once the Corporation levies octroi on any goods in accordance with the above mentioned provisions, the question arises whether it would be competent for the Corporation to grant an exemption from such octroi, in favour of any person An exemption being a grant(vide Law Lexicon by Ramanathier, page 6 1^62), express words in the Statute would be necessary to authorise such exemption,(vide page 108 Craie s Statute Law) pa The power to tax does not give the power to exempt The Corporation would have no power to exempt any property from general tax s or special assessments unless such power is vested in it by statute (vide page 282, Law of unicipal Corporations by P D Iyengar) Sec 101 of the Bangalore Corporation Act provides for the grant by the Corporation of an exemption in favour of any local area for water tax and sanitary cess or lighting tax In the Cit of Bombay unicipal Act, 1888, exemption from the levy of town duties in respect of articles imported by the Government has been granted under x sec 194 of that Act These are some of the instances in which there has been either an exemption provided for in the Statute itself, or the power to grant an exemption has been specifically vested in the Corporation respect of any particular tax or levy In the present case, when there is no statutory exemption in respect of the octroi which is levied by the Corporation and there is also no power vested

3834/Cons

Levy of octroi by B'bay Corpn - exemption in favour of govt undesirable Govt -

in the Corporation to grant an exemption in favour of Government in respect of the levy of such octroi, it would appear that Government cannot claim any exemption, as of right However, the exemption which is now being extended by the Corporation in respect of the goods which are the property of the Government at the time of import, can at best be treated merely as a waiver on the part of the Corporation It may be desirable, however, to amend the Corporation Act by adding thereto an additional Section similar to section 194 of the City of Bombay unicipal Act, 1888

(M Lawley) 28 J 1131

1) A power to levy a tax does not include a power to grant exemptions - The latter power has to be given under the Statute or Rules or Regulations that can be made under the Statute - See 97 Corporation Act enables the Corporation to levy the taxes or any of them enumerated - See 98 prescribes the procedure to be followed before deciding the levy of the Corpn by a resolution determines to levy an octroi, See 130, makes it obligatory on the Corpn to levy the tax - There is no section

3834/Lett

Govt power to create exemptions to any particular person or persons - There is also no power from to the Crpn to waive the recovery of a levy due - Hence the exemption proposed cannot be construed as a waiver & supported on this account. In this respect, it is important to note that the Report cites Neb Act, 433 provides for exemptions & concessions - Vide Sec 49(4)+(4) also Sec 64 Proviso d(a) as well as cl(d) There are similar provisions in the Tax Act, 1957 - I think the Corporation Act requires to be amended if such exemptions as are proposed can be legalised

Another q/n has to be considered in this connection & that is whether the State itself would be liable to a levy, if not expressly named in the Statute - I think in another connection this q/n was considered & the Hon'ble also Counsel have very kindly trace the refer & put it up -

Sd/-
11/2
11/11

5552
ML

3834/Law

15) The question of liability of the Crown to municipal taxation has been discussed on the file (3832/Law) relating to the taxation of Railway Properties in the Central States Bill. If the said file has been submitted to the Lawyer on 25/1/52 - If approved the will be submitted to the Lawyer with reference to the main file

Law Secy 2/2/1952

16) MS 1/2

MM 1/2/52

Record taken by me

17) The question of liability of the Crown officers to have Crown discussed on the file relating to construction of buildings by PWD on Tanks (in Chennai). The said matter will be requested to kindly make the file available

Asst Secy (Municipal) MS

MA M/s

18) Subject with the Municipal Taxation by no 355/M1 Re Chairmanship Construction by the P W Dept on Railway Land as required by the Law

Secy M/s 11/2

SAP 11/2/52

Under Secy Law 19) 12/2/52

M/s

9/2

GENERAL & REVENUE SECRETA... 9 FEB 1952 ... BRANCH

Law & Order — exemption of govt — § 38, 34 / taxes

20) Land revenue — vested to the
Govt in the file placed below (19 to 21 of
the Submitted with reference to the
Law Secy (13 ante)

AAA
13/2

Lawfeery/ms
VSR

1186 ~
13 -3 1952

21) I think in the light of the legal opinion
given in the linked file, electrical
goods imported to Bangalore by the
State Electrical Dept must be held not
liable to octroi, as the Corporation Act
does not mention the State also as
bound by the taxing provisions - If this
view is correct, there is no need to
amend the Act so as to give exemption
to State property in this respect -
U/S 14/2/52 W 21/2/52 Forwarded to the Advocate Gen'l
for favour of opinion -

Proc 1147/57-52
Dy 25-2-52

Bhaskara Rao
25/2
ms 25/2

No 100 243 of 87-52 3356/10 Dec
Dy 3-3-52

22) The opinion which I gave in NO 138 of 37-52 in the matter of the Income Collection exhaustively discusses the exemption question of the exemption of the properties of the State from the incidence of taxation under the laws of the State I have expressed the view — although I have said that the question is not entirely free from doubt — that the properties of the State cannot be so taxed, under such statutes, unless the State is expressly named in those statutes to be so bound On that view of the matter I do not see any immediate need for amending the Corporation Act in this regard

23) It is true that the power conferred to levy a tax does not by implication confer the power to grant an exemption from such tax and this is the ordinary rule But the authority empowered to levy a tax is I think entitled to declare that and provide that in which the tax is not leviable on certain goods and properties, provided that the bye-law relating to that matter is not discriminatory and has for it the foundation of a reasonable classification

24) In this case the Corporation of Salem does not wish to levy octroi on govt property and no one can dispute that this exclusion is based on a just and reasonable classification

25) Question In any view of the matter the property belonging to govt is, I assume, not liable to octroi duty But I would suggest that the note at A at the end of the enumeration of the articles liable to octroi duty should be strengthened as hereunder "the following articles are not liable to the octroi duty mentioned above"

A

Secy (Rev) 26) Note 4/3 ms 5/3 to Adv 5/3 3/3

5552/ml

Levy of octroi – Exemption of goods conveyed by Govt

27) The opinion of the Advocate General is for perusal. The view is that the property belonging to Govt is not liable to octroi duty. The Courts are to be enforced accordingly and regard to the case claimed from the Electrical Dept which has been the subject matter of this file and from which the discussions in the file have emanated.

28) The docket file relates to exemption from octroi on goods imported from the Calcutta Stores Department (Stores), the request for which has come from the Govt of India, Ministry of Stores.

29) The Law Dept holds the view although it is felt that the questions is not entirely free from doubt – that the properties of the State Govt are to be taxed under ~~Govt~~ these Statutes, unless the State is expressly named in those Statutes to be so bound what applies to the State Govt may as well apply to the properties belonging to the Central Govt in this view the ~~properties~~ goods imported by the Calcutta Stores Dept may not also be liable for payment of octroi.

5552/ml

Levy of octroi - Exemption of goods carried by Govt

Copy of letter is accepted the Corporation. Counsel may be informed not to levy Octroi on these goods also.

30) A for B's arguments for orders

Reg 16/3/12

DR 16/3 31) Draft appd orders will be issued in accordance with the opinion recorded at 'A'

Para 25

Scy (LSP) 12/3

32) Draft

JCS 12/3

12/3

33) Draft letter to the Counsel, B'Coy Corporation is put up for approval

Reg 14/3/12

DR 14/3/12

Scy (LSP)

34) 15/3

35) Draft may be issued as instructed

JCS 18/3

36) Revised draft put up as per 20/3 issued confirmations

Reg 20/3/12

DR 20/3

Scy (LSP) 20/3

57) 21/3

13626 21/3

Levy of octroi on goods consigned to the Electrical Department

6-5-82

38) For perusal before issue

(Sun 25/3)

22/3

39) 26/3/82

27/3

40) Issue

28/

11 NT

6689

24/3/82

Rec'd 27/3

J.

The Commissioner

Copy of the orders of the Govt

(Ultra the Mayor)

dated 5-83/ dated 8 [illegible] 82

Copy to the Electrical Secy

KNB 17/4

Dep

Copy of D O No A3/Gl 1951-52 dated 13th September 1951 from the Commissioner, Corporation of Bangalore, Bangalore, to the Chief Electrical Engineer to the Government of Mysore, Bangalore

----- oOo -----

Octroi duty on Government Elecl goods

With reference to your demi-official letter No 992 dated the 13th September 1951 on the above subject, I am issuing instructions to the Octroi Superintendents of the Civil Station and City Areas to release the Government goods on the specific understanding that you will arrange to pay the duty within 15 days' time I have also issued instructions that no octroi duty need be levied on the electrical goods received between now and the end of this month You are requested in the meanwhile to approach the Government in regard to grant of exemption on Government goods

There are no bye-laws framed on the subject since in the Corporation Act itself there is no provision for exempting Government goods from payment of octroi

-----:oOo -----

"C o p y"

R Chandy 1579

MSSV CHIEF ELECTRICAL ENGINEER

15/9

G R S App F G 3J

GENERAL AND REVENUE SECRETARIAT

(~~Continuation sheet draft form~~)

No L 9805
26 II 51

To

The Commissioner
Corporation of the City of Madras
(Through the Mayor)

Subject Levy of octroi duty on goods consigned to the Asst Engineer Electrical Deptt

—

Sir

I am directed to request you to be so good as to intimate whether octroi duty is being levied by the Corporation on Electrical goods brought into the corporation limits by other private individuals and whether any machinery brought for the purposes of installation in any electric Station comes on for octroi duty

An early Reply is requested

Yours faithfully

[illegible]
2 XI
for Secretary

Chc
22/11/51

No. L 10324 -
26 | 11 51

To

The Commissioner
Corporation of the City of Bangalore
(Chairman the Mayor)

Subject: Levy of octroi duty on goods consigned to the Govt of Mysore Electrical Dept.

Sir,

In connection with this office letter no L 9305 dated 26 11 51 on the above subject, I am directed to state that it is seen from the notice dated 26 9 50 regarding the levy & collection of the taxation proposals of the corporation that goods which are the property of Govt at the time of import and accompanied by the certificate certified by the Departmental Head concerned that the properly consigned thereon belongs to Govt are exempt from octroi I am therefore to enquire if this exemption has been withdrawn and if so from

What date of the exemption
certificate to the above three alleys
was the above demanded from the
Electoral Department
the encumbrance Deeds is required
Thank you faithfully
for A S G Secy.

Copy
13/12/57
Ans
13/12/57

No 4 11061
2 / 52

5967
14 DEC 51

CORPORATION OF THE CITY OF BANGALORE

No A3/G1 9305/51-52

CORPORATION OFFICES
BANGALORE

Dated 11th December *1951*

FROM

THE COMMISSIONER
CORPORATION OF BANGALORE
BANGALORE

To

The Secretary to the Government of Mysore,
Local Self Government Department,
B A N G A L O R E

MAS

SIR

SUBJECT - Levy of Octroi duty on goods consigned to the Government of Mysore Electrical Department
REFERENCE - Your letter No 9305 dated 26-11-1951
4792

With reference to your letter quoted above I write to state that no octroi duty is levied on machine parts except conduct pipes the duty for the same being 3 pies per rupee value

FORWARDED WITH COMPLIMENTS.

Yours faithfully,

R. Srinivasaraman
MAYOR

COMMISSIONER

VKR 11/12/-

What date of this exemption
continues to be an Area alley
was which demanded from the
Electric
Ave

No L 11061
7 / 52

To

The Commissioner
Corporation of the City of Bangalore
(Through the Mayor)

Subject - Levy of octroi duty on goods consigned to the Govt of Mysore Electrical Department

—

Sir

With Reference to your Letter no A 3 GL-9305/51-52 dated 11 12 51 on the above subject I am directed to request you to furnish the further information called for in this office Letter No. L 10324 dated 26.12.51 early

Yours faithfully
for
Asst Secy
29/12/51

GENERAL & REFERENCE SECRETARIAT 6618 21 JAN 1952 ULTRA BRANCH

CORPORATION OF THE CITY OF BANGALORE

No G1 1221

CORPORATION OFFICES,
BANGALORE

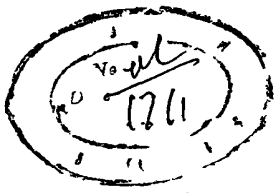
Dated 16th January 1952

FROM

CM 99-52-1

THE COMMISSIONER
CORPORATION OF BANGALORE
BANGALORE

To



The Secretary to the Government of Mysore,
Local Self Government Department,
Bangalore

SIR,

17/1/52

Subject LEVY OF OCTROI DUTY ON GOODS CONSIGNED TO THE GOVERNMENT OF MYSORE, ELECTRICAL DEPARTMENT

Sri MAs

With reference to the correspondence ending with your letter No L 11061 dated the 7th January 1952 regarding the above subject, I write to state that the City Municipalities Act contains provision to exempt certain articles from payment of octroi duties Hence a provision was made in the Byelaws framed under that Act that the property of Government accompanied by an invoice is liable for exemption from payment of duties After the advent of the Corporation, the same byelaws have been made applicable under the Transitional Provisions Order of 1949 When the taxation proposals were given effect to from 1-10-1950 and the notification No D 114-D 150 dated the 26th September 1950 was issued, the same provisions were also included in the said notification

But the point that any byelaws would have validity only so far as they are consistent with the City of Bangalore Corporation Act and that there is no provision at all for exemption in the said Act escaped the notice In the circumstances, the notice is deemed to be void so far relating to the octroi

octroi position, till the Act is amended and all the articles imported into the Corporation area are therefore liable for taxation, unless the Corporation Act is amended suitably

Forwarded with compliments

R Muthuraman

MAYOR

Yours faithfully,

N Seshagiri

COMMISSIONER I/C

TNL/-
16/1/52

EXTRACT FROM THE PROCEEDINGS OF THE URGENT MEETING OF THE CORPORATION OF THE CITY OF BANGALORE, HELD AT THE MAYO HALL AT 4 P M ON TUESDAY THE 26TH SEPTEMBER 1950

X X X X

Sri Munivenkatappa moved the following resolution -

"Resolved that the Taxation Proposals as amended by the Standing Committee (Taxation and Finance), be approved and given effect to from the 1st October 1950"

Sri Anantharaman seconded the resolution

The Chairman, Standing Committee (Taxation & Finance), pointed out that the levy of the Advertisement Tax and surcharge on duty on Transfer of Property, should be sanctioned by the Government and as such they could not levy those taxes with effect from the 1st October 1950 The office should take necessary action in obtaining Government's sanction in respect of these two items As regards the other taxation proposals they could be given effect to with effect from the 1st October 1950

Sri Dheenadayalu Naidu said that he gave a dissenting note with regard to the newly adopted rates of taxes

Sri Munivenkatappa finally moved the following resolution -

"Resolved that the Taxation Proposals as amended by the Standing Committee (Taxation & Finance), be approved and given effect to from the 1st October 1950, with the exception of the Advertisement Tax and Surcharge on duty on Transfer of Property, which would take effect from the date of Government's sanction

Sri Anantharaman seconded the resolution

The Mayor then put the resolution to vote and it was passed 13 voting for and 4 against

Sd T T SHARMA
Presiding Mayor

"EXTRACT"

N Sreenivasa
Commissioner

4/9/47

EXTRACT FROM THE PROCEEDINGS OF THE STANDING COMMITTEE (TAXATION & FINANCE) HELD ON THE 23RD SEPTEMBER 1950

Present	Absent
Sri K Narayan (Chairman)	The Mayor
Sri K Shararaja Iyengar	Sri M Rangaiya
Sri P Hanumanthiah	Sri G V Challam
Sri D R Puttanna	Mr H A M Newbould

---

1 Office note on the objections received in connection with the Taxation proposals

The Committee considered the objections preferred by the following -

(1) Sri J Srinivasa Rao, 105, Sultanpet, regarding Property Tax
(2) Major Barnett, No 3, Hall Road, regarding Profession Tax
(3) The Gramaphone Dealers, Bangalore, regarding Octroi
(4) The Empire Publicity Service) regarding Advertisement
(5) The Mysore Film Chamber of Commerce) Tax
(6) Messrs Binny & Co , General

The Committee was of the view that the objections preferred by the above were too vague and were not specific and hence they could not be given any serious attention

The Mysore Chamber of Commerce had not only presented seriatim a Memorandum of objections but waited on deputation on the Committee on the 22nd September 1950 and explained their objections vividly They were agreeable to the levy of other taxes viz , Property Tax, Tax on vacant lands, Hawkers, Carriages and Animals and Tax on cars as the levy proposed in these regard was the lowest in India Their main objections were against the rates proposed in respect of Profession tax and Advertisement Tax They explained that the rates proposed were far in excess of the rates fixed in Madras and Bombay They also pleaded for the abolition of octroi duties as such a levy is not prevalent in cities like Madras, Calcutta, etc

The Committee considered all the aspects and recommended as follows -

X X X X X

(g) Levy of Octroi on Animals or goods or both, brought within the octroi limits of the Corporation of the City of Bangalore, for consumption of use therein

As originally proposed

Appendices - As originally proposed

(Sd) K NARAYAN

Chairman
Standing Committee (Taxation & Finance)

"EXTRACT"

Commissioner

PROCEEDINGS OF THE MEETING OF THE STANDING COMMITTEE (TAXATION & FINANCE), HELD AT 9 A M ON SATURDAY THE 4TH NOVEMBER 1950, AT THE CORPORATION OF ICTS, BANGALORE CITY

Members	
Present	Absent
Sri K Narayan (Chairman)	Sri P Hanumanthiah
Sri N Keshavaiengar (Mayor)	
Sri G V Challam	
Mr H A M Newbould	
Sri D R Puttanna	
Sri P Rangaiya	
Sri I Shamaraja Iyengar	

Officers

The Commissioner
The Octroi Superintendent (City area)
The Town Duty Superintendent (Civil Station area)
The Engineer
The Health Officer

- - - - -

Consideration of the representations received from the several institutions in regard to levy of Octroi on fresh articles, viz , metals, perfumes, etc

The Committee considered the representation received in respect of the levy of Octroi on the following articles from the 1st October 1950 and after a full discussion lasting for nearly three hours the Committee with a view to clarifying the nature of the such articles and clearing any ambiguity The Committee made the following recommendations for the approval of the Corporation -

1 Other oils and oil seeds that is intended for human consumption

The above oils include Honge oil, Diesel oil, motor oils other than petrol, grease, linseed oil, Bhevan oil (Margosa oil)

2 Chunam or lime

Lime includes lime-stones

3 (a) Metals

These will include all metals or alloy of metals in any shape or form except silver and gold in any shape or form

(b) Articles made of metals

All manufactured articles in any shape or form of all metals or alloy of metals except silver and gold in any shape or form

With regard to cycles and their accessories, which come under the category of articles made of metals a refund may be allowed in respect of sales of cycles of not less than six at a time and exported to bonafide dealers for purposes of sale outside the Corporation limits of Bangalore All such refunds shall be paid only to the original importers within 60 days from the date of the first payment of octroi on the cycles sold

Refund in respect of cycle accessories can only be claimed if they are transported in bulk without break

Exemptions to articles made of metals

Motors, motor vehicles and accessories thereof, old container made of metals, agricultural implements and machinery thereof, vesels made of copper, brass, stainless steel, tin and lead

With regard to vessels made of aluminium, which are liable to octroi duty, a refund may be made in respect of articles exported to bonafide wholesale dealers on application within 60 days from the date of the payment of octroi duty

4 Musical goods

This shall include gramaphone and its accessories, gramaphone records, radio and its parts and other musical instruments and their parts

5 Perfume and scents

In view of the objections received in this respect and having regard to the fact that the probable income from this source would be not very considerable, it is recommended to drop the proposal of levy of octroi on perfumes and scents

Sd/- K NARAYAN
Chairman
Standing Committee (Taxation & Finance)

"COPY"

Commissioner

Appendix F G—1]

SUBJECT Levy of octroi duty on goods consigned to the Govt of Assam Electrical Department

4 Copies

Section CH 99 52.

File No

Serial No

Diary No of letter replied to

No L 583/8/Au/52

To

The Commissioner.
Corporation of the city of Bhare
(through the Mayor)

General and Revenue Secretariat

( )

the 19

Sir

With reference to the correspondence ending with your letter No GC 1221 dated 16-1-52 on the above subject, I am directed to state that the Central Water and Power Commission have also desired that a further concession commutation, free received Coast plant and other materials required for generation, transmission and distribution of electricity be exempted from the levy of octroi duty to keep down the cost under the Central electrification schemes

The properties of the State

Date of issue

Signed by

List of enclosures

Copied by

Examined by

Council to be taxed under a local
enactment where the State is
not expressly named as the State
to be bound to pay such taxes
on the taxation proposals of
the Corporation published in year
no. D 114 - A 150 dated 26 of 50
under Sec 7 & (2) of the Corporation
Act, the properties of Govt at the
time of export and occupied
by an office certified by the
Departmental Head concerned
that the properly contained therein
belongs to Govt are declared to
be exempt from octroi duty
Though the Corporation Act
makes no provision for the grant
of exemptions from octroi or other
taxes except property tax, the Act empowers (the corporation in this case)
empowered to levy a tax, is entitled
to declare and provide that the tax
is not leviable on certain goods produced
that the type-test relating to that
matter is not discriminatory and has
for its foundation of a reasonable
classification the basis of such a
just and reasonable classification cannot
be despaired as the exclusion of Govt
properties from octroi in the taxation
proposals of the Corporation

G R S App I G 3]

GENERAL AND REVENUF SECRETARIAT]

(Continuation sheet draft form)

I am therefore
afraid that proprietors who
do not are not liable to
any tax by the Corporation
and much less to action
in any view of the matter
Yours faithfully
JCB/vrs
Chief L S O Stey
20/3/52
Copy to Electrical Secretary.

GRS
5/4/52

copied
GRS
31/12/52

WD 01085—GI L—2, 000—18 7 50

Copy of letter No X-8130 dated 28th March 1951 from Senior Project Officer, Government of India, Central Electricity Commission, Claremont, The Mall, Simla to the Secretary to Govt. Electrical Department, Bangalore

—

Subj:- Exemption of electrical equipment and plant from payment of sales, octroi and other similar taxes.

--

Among various resolutions passed by the Power Engineers Conference held at New Delhi during 1949, Resolution No.VII recommended that the various Governments and Authorities should exempt plant and other materials required for generation, transmission and distribution of electricity from sales, octroi and other similar taxes.

I shall be grateful if you could let this Commission know the practices prevailing in your State in this respect and whether any action has been taken by your Government to give effect to the above recommendations

***

General and Revenue Secretariat,
Bangalore, Dated 8th May 1951.

Memo No.EDS. 996 /Secl 78-51/ 10-5-51

Copy of the above is forwarded to the Chief Electrical Engineer for favour of remarks.

By Order,

for Secretary to Government,
Electrical Department

BSB/-

43/ Sub A 2 15

Elec [redacted] 7-8-51-R

GOVERNMENT OF INDIA
CENTRAL WATER & POWER COMMISSION
(POWER WING)

"CLERMONT"
SIMLA - 4.

GENERAL & LIVE DE SECT 1368 ELECTRICAL FRENCH

No. X-8130.

12 [illegible] 51

JULY 5, 1951.

To

The Secretary,
Mysore Electricity Dept
BANGALORE

PUBLIC WORKS & ELEC

Sub : Exemption of electrical equipment and plant from payment of sales, octroi and other similar taxes.

- - - - -

Dear Sir,

I am to invite reference to this Commission's Circular letter No X-8130 dated 28 3.1951 and shall be grateful if the information required therein is made available at an early date.

Yours faithfully,

(R.L. Butail)
PROJECT OFFICER.

RLB:GRC.

43/1368

The GOK has been requested to furnish the information & the reminder has also been reminded on 16/7/51

16

END I
1st = N 10/9 Sanction

Elec 78-51-R

CENTRAL WATER & POWER COMMISSION
(POWER WING)

"CLERMONT"
SIMLA - 4.

2108 Elec

No. X-8130. AUGUST 28, 1961.

To

The ecretary,
Mysore Electricity Deptt.,
BANGALORE

Sub : Exemption of Electrical Equipment & Plant from payment of sales, octroi & other similar taxes.

Dear Sir,

Reference this Commission's letter No. X-8130 dated 7.7.1961.

The Commission shall be grateful if the information required on the above subject is sent to it at an early date.

Yours faithfully,

(R. L. Butail)
Project Officer.

B:R I:GRC.

S. Giligiri Rao, B.E.,

Dated 21-9-57

D O No EDS 3495/Elecl
78-51-R

Immediate -

Dear Sri Chandy,

Subject:- Exemption of Electrical Equipment and Plant from payment of sales, Octroi and other similar taxes.

I am desired to invite your kind reference to this office Memo No.EDS 996/Elecl. 78-51-4 dated the 10th May 1951, and subsequent reminder No EDS.2483 dated the 16th July 1951, on the above subject, and to request you kindly to furnish the information required therein immediately, as the Central Water and Power Commission (Power Wing), Simla has been frequently reminding for a reply

Yours sincerely,

gc

Sri George Chandy, M.S E E.,
Acting Chief Electrical Engineer,
B A N G A L O R E

365
3/10

Elcl — 78-51—16

Telephone No 2110

IN R YR E T
N 18045

TELEGRAPHIC ADDRESS
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GOVERNMENT OF MYSORE
ELECTRICAL DEPARTMENT

OFFICE OF THE CHIEF ELECTRICAL ENGINEER

Bangalore 25 September 19 51.
(My S I d)

GENERAL & REVENUE BRANCH 2406 26 SEP 19

The Secretary to Government,
Electrical Department,
Bangalore

Sir,

Exemption of Electrical Equipment and Plant from payment of sales, Octroi & other similar Taxes

---

With reference to memo No EDS 996/Elecl 78-51-4 dated 10-5-51 forwarding a copy of the letter No X 8130 dated 28-8-1951 from the Service Project Officer, Government of India, Central Electricity Commission, I write to state that under the existing rule in para 509 of M E A C Vol II No Octroi duty is leviable under the provisions of the Mysore Municipal Regulation on articles imported into Mysore by the Electrical Department (G O No L 6729-9 ML 154-25-2 dated 20-4-1926

Whereas Sales Tax are being paid on Electrical Goods purchased under the Mysore Sales Tax Act 1948

I am of the view that the resolution No VII of the Power - Engineer's Conference during 1949 to exempt plant and other materials required for Generation, Transmission and Distribution of Electricity from Sales, Octroi, and other similar taxes should be fully implemented in the State

Yours faithfully,
G Chandy 25/9
Chief Electrical Engineer

Appendix F G—11

SUBJECT.. Exemption of Electrical equipment & plant from payment of Sales, Octroi & other similar Taxes

Section Elect
File No 78-51
Serial No 17

Diary No of letter replied to

No Fin S 3855/Elect 78-51-17
Secret

To The Project Officer
Central Water & Power
Commission
(Power Wing)
"Belvedere"
Simla 4.

General and Revenue Secretariat

( )

the 19

Date of issue 23-10-51

Signed by H Channaiah

Sir,

With reference to the correspondence ending with your letter No X-51. 4795/8/1951 on the above subject, I am directed to state that under the existing rules no octroi duty is leviable under the Mysore Municipal Regulations on articles imported by the Mysore Govt Elect Dept and that the Sales Tax is being paid on the Elect

List of enclosures Nil

Copied by

Examined by

goods purchased by the Elect Dept under the Mysore Sales Tax Act 1948. The Resolutions of the Power Engineers Conference held at New Delhi during 1949 has not been fully implemented in the State

} for elders

A copy of the resolution begs to enclosed letter under advertence with the extract of relevant proceedings of the Conference may kindly be arranged to be issued for taking necessary further action

Yours faithfully

16/11.

for Secretary to Govt
Elec Dept

Memo. EDS 385 Elect
Copy to the OSD for information with reference to his letter No. 2804/C 25-4-49.

By order

16/11

16/11

Secretary to Govt
Elect Dept

GOVERNMENT OF MYSORE

General and Revenue Secretariat

No EDS 3855|Elec 78-51-17 *Dated Bangalore* 23rd Oct 1951

FROM

The Secretary to the Government of Mysore
Electrical Department

To

The Senior Project Officer,
Central Water and Power Commission,
(Power Wing) Claremont, Simla 4

Sir,

Subject -Exemption of electrical equipment and plant from payment of sales, octroi and other similar taxes

****

With reference to the correspondence ending with your letter No.X-8130 dated the 28th August 1951 on the above subject, I am directed to state that under the existing rule no Octroi duty is leviable under the Mysore Municipal Regulations on articles imported by the Mysore Government, Electrical Department and that the Sales Tax is being paid on the Electrical goods purchased by the Electrical Department under the Mysore Sales Tax Act 1948. The Resolutions of the Power Engineers Conference held at New Delhi during 1949 has not thus been fully implemented in the State.

A copy of the resolution referred to in the letter under advertance with the extract of the relevant proceedings of the Conference may kindly be arranged to be forwarded for taking early further action.

Yours faithfully,

Sd/- S Biligiri Rao.
Secretary to Government,
Electrical Department

MEMO NO EDS 3856|Elec 78-51-17

Dated, the Bangalore, the 23rd October 1951

Copy of the above is forwarded to the Chief Electrical Engineer, Bangalore, for information with reference to his letter No.88045 dated the 28th

SLL 78-51—dlO

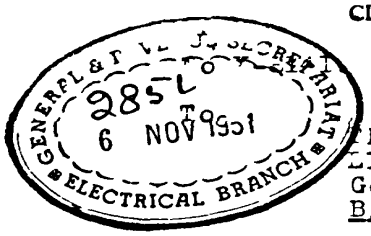
TELEGRAMS CENTELEC SIMLA

TELEPHONES SIMLA { 2467 2567 2667 2767

MINISTRY OF ~~WORKS, MINES AND POWER~~ NATURAL RESOURCES & SCIENTIFIC RESEARCH
WORKS & POWER

CENTRAL ELECTRICITY COMMISSION
(POWER WING)

CLEREMONT SIMLA 4



OCTOBER 1951

The Secretary to Govt of Mysore,
Electrical Deptt,
General & Reverue Secretariat,
Bangalore

Ref Your letter No EDS 3855/Elecl 78-51-17
dated 2nd October, 1951

Dear Sir,

Kindly find enclosed herewith a copy of Resolution No VII passed at the Power Engineers' Conference held at New Delhi from 21st to 24th February, 1950.

I may add for your information that a copy of the "Proceedings & Report" of the All India Power Engineers' Conference held in New Delhi in 1949 is available from the Manager, Govt of India Publication Branch, Civil Lines, Delhi

Yours faithfully,

Encl 1

(R L Dutail)
Project Officer

LB dtC

RESOLUTIONS PASSED AT THE POWER ENGINEERS' CONFERENCE AT NEW DELHI FROM 21ST TO 24th FEBRUARY, 1949.

RESOLUTION NO VIII

This Conference has reviewed the progress made in rural electrification in different parts of India and is impressed with the results achieved in the United Provinces, Madras, Mysore and Travancore, where large regional transmission systems have been in operation integrating their services in urban and rural areas under single self-supporting administrations and recommends adoption of similar practices elsewhere

The Conference appreciates that rural electrification in India means extension of power supply to over 90% of the population of the country, who do not now have this means of increasing their productive capacity and raising their standard of living The Conference is of the opinion that all reasonable steps should be taken to achieve substantial progress in this direction as soon as possible

The planning of rural electrification should be carried out in close co-operation with those who are planning industrial development, ground and surface water irrigation, model colonies, trading estates and co-operative communities

It is essential to keep the cost of construction down and for this purpose all such steps as modification of the Rules under the Electricity Act, 1910, enabling appreciably lower clearances than prescribed now, should be taken and the various Governments and Authorities should exempt plant and other materials required for generation, transmission and distribution of electricity from Sales, Octroi and other similar taxes

The Conference further expresses the hope that the problems of rural electrification will be energetically pursued by all interests concerned and that the Central Electricity Commission will collect and distribute information on the progress of rural electrification and evolve economic designs and methods of construction and pass on the information to all the authorities in the different parts of India

* * * * *

Elec 78-51-CV

GENERAL & REVENUE SECTT. No 43 APR 1951 ELECTRICAL BRANCH

GOVERNMENT OF INDIA
CENTRAL ELECTRICITY COMMISSION
Clerement, The Mall,
SIMLA,4

No X-8130 Dated the 28th March 1951

To

The Secretary to the Government of Mysore,
Electricity ~~Branch~~ Department,
Bangalore, Mysore.

Subject - Exemption of electrical equipment and plant from payment of sales, octroi and other similar taxes

Dear Sir,

Among various resolutions passed by the Power Engineers Conference held at New Delhi during 1949, Resolution No VII recommended that the various Governments and Authorities should exempt plant and other materials required for generation, transmission and distribution of electricity from sales, octroi and other similar taxes

I shall be grateful if you could let this Commission know the practices prevailing in your State in this respect and whether any action has been taken by your Government to give effect to the above recommendations

Yours faithfully,

(T N Idnani),
Senior Project Officer

'RLB SDS'

If approved the CEC will be consulted in the matter

App F III—2]

General and Revenue Secretariat | File No 78 of 1951

Exemption of Electrical equipment & Plant from payment of sales, Octroi & other similar taxes

Serial No

4-
CE
√1368 √2108

Sus A)
3/1515

No EOS 996/Elect 78-51 4
Dated 10th May 1951

The Chief Electrical Engineer

Forwards a Copy of the letter received from the Senior Project Officer, Government of India Central Electricity Commission Simla re the exemption of Electrical Equipment and Plant from payment of Sales Octr and Other Similar taxes for remarks

Letter No X 8130 dated the 28th August 1951 from the Central Water & Power Commission, Simla.

— Requests for a reply

4) The reply is due from the CE. He has been reminded also another Draft Appn of a D & reminder to the CE are putting for approval

3/20/9

Elec Secy

5) From

NO EOS 3695/Elect 78-51-R
Dated 21st September 1951

Sri George Chandy MSCE
Chief Electrical Engineer

Issued a reminder requesting him to furnish the information required re the exemption of electrical equipment & Plant from payment of Sales & Octroi and other taxes as the Central Water & Power Commission Simla have been frequently reminding for a reply

Sus A
3/22/9
NOTE—Contn Sheet

Levy of octroi, Sales tax on taxes -

File No 78 of 1951 | General and Revenue Secretariat

Serial No 2108 / J2406

Letter No 28065 dated the 25th September 1951 from the Chief Electrical Engineer

States that no octroi duty is leviable and that Sales Tax is being paid

6) If approved the information will be passed on to the Central Water & Power Commission, Simla

A

3/16 16/10/51 7) Elec Secy

Amy be approved

Min for Law & Labour 16/10

16/10

8) 7/10

7/10

Office of the Minister for Law & Labour

No 4575

Date 23/10/51

9) A draft letter to the Central Water & Power Commission, New Delhi is put up for approval

10) 16/10

Secy (Elec)

15/10 16/10/1951

11) Done 18/10

No COS 3855 | Elect 78-51-17

Dated 23rd October 1951

The Senior Project Officer,
Central Water & Power Commission
(Power Wing) Simla

States that under the existing rule no Octroi duty is leviable under the Mysore Municipal Regulations on articles imported by the Mysore Govt Electrical Department and that the Sales Tax is being paid on the Electrical goods purchased by the Electrical Department under the Mysore Sales Tax Act 1948 &

III—2]

Exemption of electrical equipment and plant from payment of Sales ~~Octroi~~ Octroi and other Similar taxes

General and Revenue Secretariat | File No | of 195

Serial No

2406 Elect

Memo No EDS 3856/ Elect 78-51-17 dated 23rd October 1951

The Chief Electrical Engineer

Forwards a copy of the above for information

Letter No X-8141 dated the 1/2nd November 1951 from the Project Office Central Electricity Commission

Forwards a copy of the Resolution passed at the Power Engineers' Conference held at New Delhi.

12) The resolution of the Power Engineers Conference will have to be implemented in this State also Submitted for orders

1) The resolution of the All India Power Engineers Conference re the exemption of electrical goods used for development of the generation transmission and distribution of electric power from the payment of Sales Tax Octroi and other taxes requires to be implemented in the State where the Hydro Electric Works are managed by the Govt

14) The opinion of the Secretaries to Govt L & S Dept and the Finance Department may perhaps be obtained in the first instance

15) For favour of Orders

Sech Dept

Sech) 19/11

FE EIDE SECTETARIAT 7112 20 NOV 1951 Govt of M Secty 21 11 51

NOTE—Contn Sheet

Levy of Octroi & Sales Tax on electrical goods purchased by the Electricity Dept

Elect File No 78 of 1951 | General and Revenue Secretariat

Serial No 2851 Elec

7112 B

SECRETARIAT 4552 28 NOV 1951 U/C PA

1) The sales of electrical goods are liable to tax under Sec 3 (1) M S T Act and also to the additional tax under Sec 3(2) M S T Act if it is their first sale in Mysore The resolution of the All India Power Engineers' Conference requests for exemption from S T on plant and other materials required for generation, transmission and distribution of electricity The hydro-electric works in Mysore are owned and managed by the State and their equipment and necessary materials are mostly imported from outside Such outside sales may not now attract S T as Art 286 of the Constitution has come into full operation from 1-4-51 Their liability however depends on the conditions attached to each sale as regards delivery etc Sale of electrical energy has already been exempted

2) Madras, Bombay and Travancore-Cochin are all levying the S T on electrical goods It cannot be that the tax is very burdensome in Mysore, so as to hamper progress ~~progress~~ It may be seen from the opening paragraph of the Resolution itself that Mysore has made impressive progress

3) Almost every Conference at the Centre in New Delhi pass resolutions recommending exemption from S T or some other local tax If these are conceded, where is the money to come from for financing development and other progressive schemes in the State? There is no room for any more concession, particularly in view of the exemption from S T already granted under Art 286 of the Constitution, on imports and inter-State Trade, which must have been of considerable benefit to the State electrical undertakings also The proposal is not financially acceptable

El Secy) 24 11 57

Sri MAS

SECRETARIAT 9043 27/11 LEG U

27/XI

27/11

27/11